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September 22, 2005

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Suite 700
Washington, DC 20423

RE: Finance Docket No. 34762, *CSX Transportation, Inc.—Temporary Trackage Rights—Alabama Great Southern Railroad Company*

EXPEDITED HANDLING REQUESTED

Dear Secretary Williams:

Enclosed for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. § 1180.2(d)(8), a Petition for Waiver, a diskette with the files Notice.doc and Waiver.doc, 20 extra copies of the map, and checks covering the \$1,000.00 filing fee for the Notice and \$450.00 filing fee for the Waiver.

Please time and date stamp the extra copy of this letter and the Verified Notice of Exemption and Petition for Waiver and return them with our messenger.

If you have any questions, please contact me.

ENTERED
Office of Proceedings

SEP 22 2005

Part of
Public Record

FILED

Sincerely yours,

TRANSPORTATION BOARD


Louis E. Gitomer
Attorney for CSX Transportation, Inc.

Enclosures

RECEIVED

TRANSPORTATION BOARD

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ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34762

CSX TRANSPORTATION, INC.
—TEMPORARY TRACKAGE RIGHTS—
ALABAMA GREAT SOUTHERN RAILROAD COMPANY



VERIFIED NOTICE OF EXEMPTION

ENTERED
Office of Proceedings

SEP 22 2005

Part of
Public Record

Robert Ledoux
Assistant General Counsel
CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202
(904) 359-1255

Louis E. Gitomer, Esq.
Of Counsel
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1455 F Street, N.W., Suite 225
Washington, DC 20005
(202) 638-3307

Attorneys for: CSX Transportation, Inc.

Dated: September 22, 2005

FILED

SEP 22 2005

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34762

CSX TRANSPORTATION, INC.
—TEMPORARY TRACKAGE RIGHTS—
ALABAMA GREAT SOUTHERN RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION



CSX Transportation, Inc. ("CSXT") submits this Verified Notice of Exemption pursuant to the class exemption at 49 C.F.R. § 1180.2(d)(8) for overhead temporary trackage rights over certain rail lines operated by the Alabama Great Southern Railroad Company ("AGS"), a subsidiary of Norfolk Southern Railway Company (together with AGS, "NSR") generally between Birmingham, AL and Shrewsbury, LA. The temporary trackage rights cover a total distance of approximately 355.1 miles.¹ The temporary trackage rights will permit CSXT to resume overhead rail service between Pascagoula, MS and New Orleans, LA in the aftermath of Hurricane Katrina. The parties are negotiating a written agreement for the temporary trackage rights (Exhibit B), which are not sought as a responsive application in a rail consolidation proceeding.

Pursuant to the Surface Transportation Board's (the "Board") regulations at 49 C.F.R. § 1180.4(g), CSXT submits the following information:

¹ An incidental portion of the rail line, consisting of only four-tenths of a mile, is operated by NSR via a trackage rights agreement between AGS and The Kansas City Southern Railway Company ("KCSR"). KCSR has consented to the use of the KCSR Segment for the purpose of the proposed CSXT trackage rights.

Section 1180.6 Supporting Information

(a)(1)(i) Description of Proposed Transaction

CSXT is acquiring overhead temporary trackage rights from NSR as follows: (1) AGS South District between Birmingham, AL, 27th Street, milepost 142.0, and Meridian, MS, 27th Avenue, milepost 295.4; (2) NSR's trackage rights over the connection between AGS and KCSR near 27th Avenue in Meridian, Mississippi at Milepost 295.4 and the connection between KCSR and AGS NO & NE District at Milepost NO-0.4; (3) NO & NE District between Meridian, MS, 27th Avenue, milepost NO 0.4, and New Orleans, LA, Oliver Junction, milepost 194.1, and (3) New Orleans terminal Back Belt Line between New Orleans, LA, Oliver Junction, milepost 7.9 NT, and East City Junction at milepost 3.8 NT and between East City Junction at milepost 3.5 A and Shrewsbury, LA, IC Connection, milepost 0.0 A, a total distance of 355.1 miles.

The carriers involved in this transaction and their business addresses are:

CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202

Alabama Great Southern Railroad Company
Three Commercial Place
Norfolk, VA 23510

Questions and correspondence concerning this notice may be addressed to:

Robert Ledoux
Assistant General Counsel
CSX Transportation, Inc.
500 Water Street J-150
Jacksonville, FL 32202
(904) 359-1255

Louis E. Gitomer
Ball Janik LLP
1455 F Street, NW, Suite 225
Washington, DC 20005
(202) 638-3307

(a)(1)(ii) Consummation Date

CSXT has today filed a Petition for Waiver of the requirement that “[t]o qualify for an exemption under §1180.2(d), a railroad must file a verified notice of the transaction with the Board at least one week before the transaction is consummated indicating the proposed consummation date.” Should the STB grant the requested Petition for Waiver, the parties intend to consummate the transaction on or shortly after September 24, 2005, if conditions allow operations to begin on September 24. Should the STB deny the requested Petition for Waiver, the parties intend to consummate the transaction on or shortly after September 29, 2005.

(a)(1)(iii) Purpose Sought to be Accomplished

Substantial portions of CSXT’s track along the Gulf Coast have been destroyed between Pascagoula, MS and New Orleans, LA, by Hurricane Katrina. In order to continue to provide overhead service to its customers while it rebuilds the damaged line of railroad, CSXT has arranged for temporary overhead trackage rights with NSR. The term of the temporary trackage rights is 100 days and the temporary trackage rights are anticipated to expire on January 2, 2006, if the trackage rights commence on September 24, 2005.

(a)(5) List of States in which the Party's Property is Situated

CSXT owns and operates about 23,000 miles of railroad in the States of Alabama, Connecticut, District of Columbia, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia, and the Provinces of Ontario and Québec. NS owns and operates in the States of Alabama, District of Columbia, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio,

Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia.

The overhead temporary trackage rights are located in the States of Alabama, Mississippi, and Louisiana.

(a)(6) Map

A map illustrating the involved trackage rights is attached as Exhibit A.

(a)(7)(ii) Agreement

A copy of the draft trackage rights agreement is attached as Exhibit B.

Labor Protection

Any employees who are adversely affected by the acquisition of the temporary overhead trackage rights that are the subject of this Notice are entitled to protection under the conditions imposed in *Norfolk and Western Railway Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified by *Mendocino Coast Ry., Inc. —Lease and Operate*, 360 I.C.C. 653 (1980) (“*N&W*”).

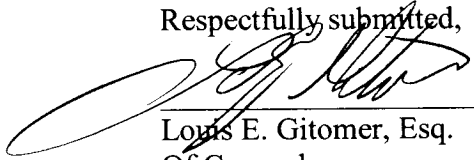
CSXT and NSR will provide the protections of *N&W*, but because of the emergency nature of the situation, the unions representing CSXT and NSR employees have agreed to waive the 20-day notice period of *N&W* so that operations may start upon the effective date of this Notice of Exemption.

Any employees who are adversely affected by the discontinuance of these temporary overhead trackage rights that are the subject of this Notice are entitled to protection under the conditions imposed in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

Environmental and Historic Matters

Environmental and historic impacts associated with trackage rights transactions generally are considered to be insignificant. Therefore, environmental and historical reports and documentation normally need not be submitted for this type of transaction, pursuant to 49 C.F.R. § 1105.6(c)(4) and § 1105.8(b)(3).

Respectfully submitted,



Robert Ledoux
Assistant General Counsel
CSX Transportation, Inc.
500 Water Street J-150
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(904) 359-1255

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Of Counsel
Ball Janik LLP
1455 F Street, N.W., Suite 225
Washington, DC 20005
(202) 638-3307

Attorneys for: CSX Transportation, Inc.

Dated: September 22, 2005

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34762

CSX TRANSPORTATION, INC.
—TEMPORARY TRACKAGE RIGHTS—
ALABAMA GREAT SOUTHERN RAILROAD COMPANY

Alabama Great Southern Railroad Company (“AGS”), a subsidiary of Norfolk Southern Railway Company (together with AGS, “NSR”) will agree to grant overhead temporary trackage rights to CSX Transportation, Inc. over (1) AGS South District between Birmingham, AL, 27th Street, milepost 142.0, and Meridian, MS, 27th Avenue, milepost 295.4; (2) NSR’s trackage rights over the connection between AGS and KCSR near 27th Avenue in Meridian, Mississippi at Milepost 295.4 and the connection between KCSR and AGS NO & NE District at Milepost NO-0.4; (3) NO & NE District between Meridian, MS, 27th Avenue, milepost NO 0.4, and New Orleans, LA, Oliver Junction, milepost 194.1, and (4) New Orleans terminal Back Belt Line between New Orleans, LA, Oliver Junction, milepost 7.9 NT, and East City Junction at milepost 3.8 NT and between East City Junction at milepost 3.5 A and Shrewsbury, LA, IC Connection, milepost 0.0 A, a total distance of 355.1 miles. The temporary trackage rights will be effective on September 24, 2005, and will expire on January 2, 2005.

As a condition to this exemption, any employee affected by the acquisition of the temporary trackage rights will be protected by the conditions imposed in *Norfolk and Western Railway Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified by *Mendocino Coast Ry., Inc. —Lease and Operate*, 360 I.C.C. 653 (1980), and any employee affected by the discontinuance of those trackage rights will be protected by the conditions set out in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

This notice is filed under 49 CFR §1180.2(d)(8). If it contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34762, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert Ledoux, Assistant General Counsel, CSX Transportation, Inc., 500 Water Street J-150, Jacksonville, FL 32202, and Louis E. Gitomer, Ball Janik LLP, 1455 F Street, NW, Suite 225, Washington, DC 20005.

Dated:

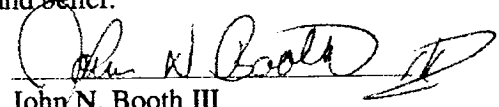
By the Board.

Vernon A. Williams
Secretary

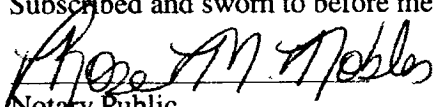
VERIFICATION

State of Florida)
)ss
County of Duval)

I, John N. Booth III, being duly sworn, depose and state that I am Director-Joint Facility Contracts of CSX Transportation, Inc., that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption, and know the facts asserted therein are true and accurate to the best of my knowledge, information and belief.


John N. Booth III

Subscribed and sworn to before me this 21st day of September 2005.


Notary Public

My Commission expires:

Nov. 15, 2005

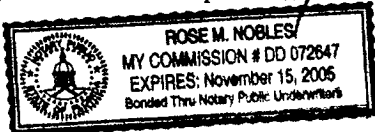
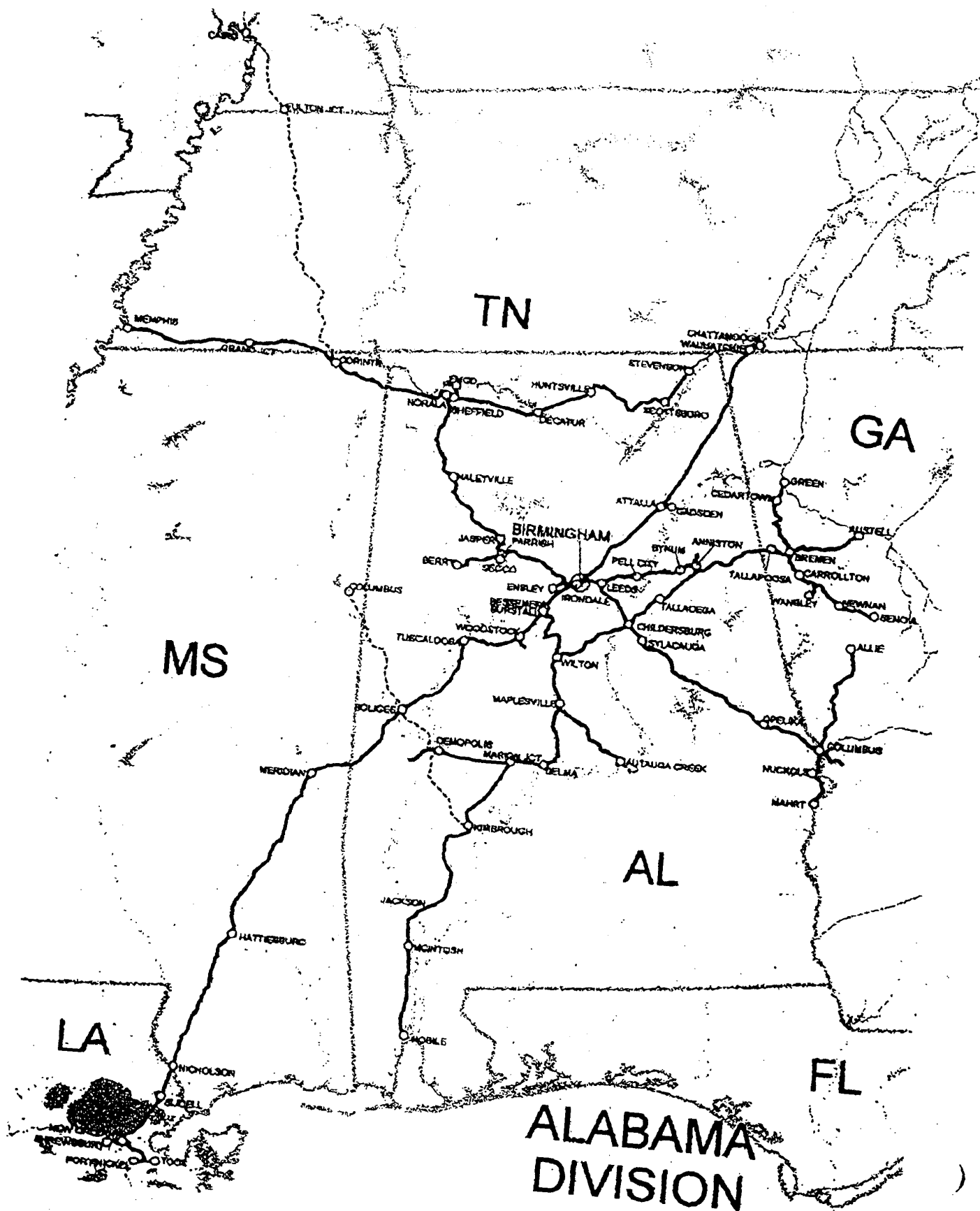
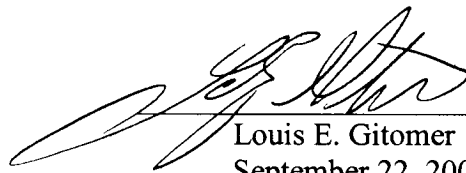


EXHIBIT A-MAP



CERTIFICATE OF SERVICE

I hereby certify that I have caused the Verified Notice of Exemption in Finance Docket 34762, *CSX Transportation, Inc.—Temporary Trackage Rights—Norfolk Southern Railway Company*, to be served by first class mail, postage pre-paid on the Secretary of the United States Department of Transportation, the Attorney General of the United States, the Federal Trade Commission, the Governor, Public Service Commission, and Department of Transportation of the States of Alabama, Louisiana, and Mississippi, Alabama Great Southern Railroad Company, and The Kansas City Southern Railway Company.

A handwritten signature in black ink, appearing to read 'L. Gitomer', is written over a horizontal line.

Louis E. Gitomer
September 22, 2005